FINDING OF NO SIGNIFICANT IMPACT

DEPARTMENT OF ENERGY LOAN GUARANTEE FOR GRANITE RELIABLE POWER LLC'S GRANITE RELIABLE POWER WIND PARK PROJECT IN COÖS COUNTY, NEW HAMPSHIRE

AGENCY: U.S. Department of Energy, Loan Guarantee Program Office

ACTION: Finding of No Significant Impact

SUMMARY: The U.S. Department of Energy (DOE) is adopting an environmental assessment (EA) completed by the U.S. Army Corps of Engineers (USACE) in June 2010 that analyzed the potential environmental impacts associated with the construction and operation by Granite Reliable Power, LLC (GRP) of the Granite Reliable Power Wind Park (GRPWP) located in central Coös County, New Hampshire. DOE, through its Loan Guarantee Program Office (LGPO), proposes to provide a federal loan guarantee pursuant to Title XVII of the Energy Policy Act of 2005 (EPAct 2005) to GRP to support the construction and startup of the proposed project. The purpose of DOE's proposed action is to expedite the deployment of new energy technology into commercial use in the U.S. and to reduce emissions of greenhouse gases and other air pollutants.

The GRPWP would consist of 33 3-megawatt Vista Wind Systems turbines built on the top of several mountain ridges within an 80,000 acre tract of timberland in the unincorporated places of Dixville, Earvings Location, Millsfield, Odell and the Town of Dummer in central Coös County. The wind turbines would be approximately 400 feet tall, and would connect to a transformer and then into the local electric power distribution grid known as the Coös Loop. To build the facility several access roads would have to be improved or built to bring the wind turbines and component parts onto the site. Approximately 31 miles of access roads would be involved. Twelve miles would be new roads, six miles of which would be on top of the ridgelines. These access roads would involve a number of crossings of waterways and wetlands that would involve discharges into waters of the United States. Approximately 13.5 acres of wetlands would be filled and 300 acres of woods cleared for the access roads, turbine pads, transmission line connectors, and project-related facilities (e.g., maintenance building).

Approved mitigation for impacts to wetlands and high-elevation habitat is extensive. To mitigate for the 13.5 acres of wetlands that would be filled, GRP would place into conservation 620 acres of forest in the headwaters area of Philips Brook immediately adjacent to Nash Stream State Forest lands. Pursuant to the High Elevation Mitigation Agreement, to compensate for the 300 acres of forested lands cleared for the project, GRP would preserve in perpetuity 1,281 acres of high elevation habitat on Mount Kelsey, 220 acres on Long Mountain, and 60 acres on Muse Mountain. The four parcels of land included in the wetland and high elevation habitat mitigation plans would be deeded in fee simple to the New Hampshire Fish & Game Department (NHF&G) along with \$750,000 for

NHF&G to acquire additional land for conservation. Another \$200,000 would be provided for NHF&G to conduct studies on the impact of the proposal on wildlife species in the area.

As part of its decisionmaking process, USACE prepared an EA to assist its decisionmaking with regard to issuing the wetland permit under Section 404 of the Federal Clean Water Act. DOE was granted cooperating agency status in the development of the EA in light of its authority under EPAct 2005 to issue a loan guarantee to GRP. USACE issued a Final EA, Finding of No Significant Impact (FONSI), and wetlands permit on June 25, 2010.

All discussion and analyses related to the potential impacts of construction and operation of the proposed GRPWP facilities are contained in the USACE Final EA (DOE/EA-1801), which DOE adopts and incorporates herein by reference. USACE examined potential impacts on the following resources and areas of concern and found none to be significant: aesthetics; air quality; benthic flora and fauna; circulation patterns; drainage; economics; energy needs; erosion and accretions; finfish and plankton; floodplain values; food and fiber production; general environmental concerns (including global climate change); historical; land use; mineral needs; navigation; needs and welfare of people; noise; property ownership; recreation; safety (including intentionally destructive acts); water quality; wetlands; wildlife; and water supply and conservation. The DOE Loan Guarantee Program Office reviewed the USACE analyses and determined that they adequately cover all areas of concern necessary to support DOE's FONSI.

Public Involvement in the EA Process

A public notice describing the proposed GRPWP and intent to prepare an EA was issued by USACE on January 27, 2009. It was sent to all known interested parties and published on USACE's website. An extensive public involvement process was conducted over a six month period, beginning in October 2008 and continuing through March 2009. That process was coordinated with the New Hampshire Site Evaluation Committee (NHSEC) Certificate of Site and Facility process.

Many of the issues involved in USACE's permit evaluation and included in the EA were also considered by the NHSEC in the process of deciding upon a parallel application for the necessary state permits. The NHSEC Certificate is an all-in-one permit required by the state for power generation and transmission facilities over 30 megawatts in size, and includes a New Hampshire Department of Environmental Services (NHDES) wetlands permit, a NHDES Site Specific permit, and a state Water Quality Certificate.

To avoid duplication with the NHSEC process, the USACE participated in extensive preapplication conferencing with state regulators and natural resource agency staffers to ensure that the permit application and EA would adequately address various state regulations and criteria. In addition, USACE participated in the NHSEC public involvement process, attending informational meetings, public hearings, technical sessions and final arguments and deliberations to ensure full public input to USACE's EA and permit decision.

DETERMINATION: On the basis of the Final EA and consultation with USACE, DOE has determined that providing a federal loan guarantee to Granite Reliable Power, LLC, for

construction and startup of the Granite Reliable Power Wind Park project located in Coös County, New Hampshire, will not have a significant impact on the human environment. The preparation of an environmental impact statement is therefore not required, and DOE is issuing this FONSI.

Copies of the Final EA are available at the DOE Loan Guarantee Program Office website at http://www.lgprogram.energy.gov/NEPA-1.html or from

Matthew C. McMillen
Director, Environmental Compliance Division
Loan Programs Office, LP-10
U.S. Department of Energy
1000 Independence Ave, SW
Washington, DC 20585
Matthew.McMillen@hq.doe.gov

Additional information on the DOE NEPA process is available from

Office of NEPA Policy and Compliance U.S. Department of Energy 1000 Independence Avenue, SW Washington, DC 20585 202-586-4600 or 1-800-472-2756

Issued in Washington, DC on the 23 day of July in the year 2010.

Jonathan M. Silver

Executive Director, Loan Programs